

# Indiana

Department of Local Government Finance

*Committed to a fair and equitable property tax system for Hoosier taxpayers.*

## Budget Cycle and Forms Overview

Presented by:  
Dan Jones, Asst. Dir., Budget Division  
June 2016



## Budget Process

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- Prepare budget.
- Advertise "Notice to Taxpayers."
- Public hearings.
- Non-Binding County Fiscal Body Recommendation.
- Adoption.
- Submission to the Department via Gateway.
- The Department certifies budget, rate, levy, and issues a final budget order on or before February 15.



## What are Budget Workshops?

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- A meeting with your Budget Field Rep where you bring financial information and they can:
  - Work through several budget forms.
  - Help ensure timely public and adoption meetings.
  - Answer budget questions.
- Most non-school units have the opportunity to have many of the more difficult forms uploaded into Gateway.



## What to Bring to Budget Workshops

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- Financial report or ledger totals for first six months expenditures broken down by fund.
- List of encumbrances.
- Cash balance as of June 30 for each fund.
- Any investments.
- Any Reduction Ordinances/Additional Appropriations done the first 6 months or planned for the second 6 months.
- Completed and totaled Form 1's (next year's budget) for each fund.



## What to Bring to Budget Workshops

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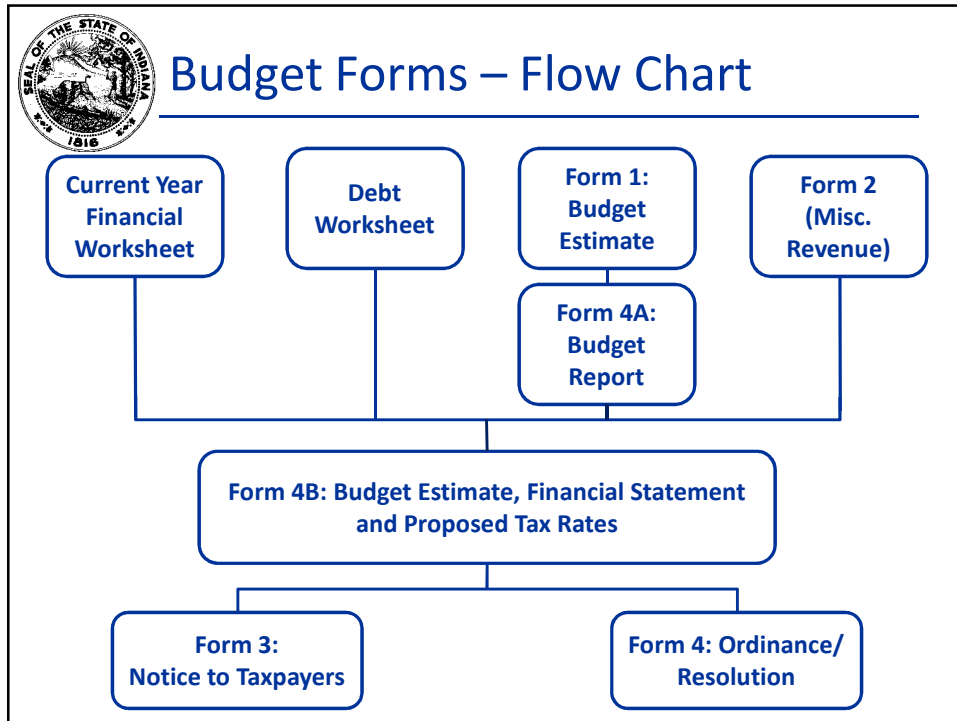
- Completed Form 2's (revenue estimates) for each fund or Financial Report of revenues.
- Amortization Schedules (units with debt).
- Confirmed public hearing and adoption dates along with times of each meeting.
- The address of the office and meeting locations.



## A Note about the Budget Forms

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- The Department is implementing updates to the budget forms to account for Senate Bill 321.
- Senate Bill 321 makes a variety of changes to the budget process. Most immediately:
  - Units will receive max levy in July and circuit breaker estimates from the Department by Aug. 1.
  - Units must consider *net property tax revenue* when formulating budgets.
- SB321 guidance related to the budget forms will be released in the weeks ahead.



**Current Year Financial Worksheet**

Formerly called "Line 2 Worksheet"

Select Fund: 0101 - GENERAL

**Calculates lines of the Form 4B**

Line 2	
APPROPRIATIONS	
1. Current Year Approved Budget	\$ 3,239,388
2. Encumbrances Brought Forward	\$ 62,299
3. Changes to Appropriations:	
a) Additional Appropriations (January to June)	\$ 0
b) Reductions January through June	\$ 0
4. Other Non-Appropriated Obligations	\$ 0
5. Total Approved Appropriations	\$ 3,301,687
DISBURSEMENTS	
6. January through June Current Year Disbursements	\$ 1,451,410
7. Appropriation Balance	\$ 1,850,287
8. Reductions July through December	\$ 0
9. Estimated Current Year Expenditures July through December	\$ 1,850,287
Line 3	
10. Proposed/Approved Additional Appropriations for July through Dec. of Current Year	\$ 0
Line 4a	
11. Levy excess not transferred prior to June 30	\$ 0
12. Temporary Loans outstanding as of June 30	\$ 0
What fund loaned the cash on Line 12?	
13. Temporary loans not included in Lines 2 or 3	\$ 0
Line 4b	
14. Temp loans to be repaid in the first six months of ensuing year	\$ 0
What fund loaned the cash on Line 14?	
Line 6	
15. June 30 Cash Balance, including investments	\$ 13,768,72
Line 7	
16. Taxes to be collected, present year (December settlement)	\$ 677,417

Red annotations on the right side of the table map specific lines to Form 4B lines:

- Line 2 (Entire section)
- Line 3 (Line 10)
- Line 4a (Lines 11-13)
- Line 4b (Lines 14-15)
- Line 6 (Line 15)
- Line 7 (Line 16)



## Current Year Financial Worksheet

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- CYFW – Shows snapshot of budget and financial standings as of June 30.
- This form should be completed for each fund.
- It calculates 6 “lines” of the Form 4B.



## Current Year Financial Worksheet

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- Most common lines:
  - **Line 2** - Budget left to spend in the last 6 months.
  - **Line 6** - June 30 cash balance.
  - **Line 7** - Property taxes to be received in the last 6 months.

Most non-school units can have this form uploaded into Gateway at budget workshops.



## Debt Worksheet

[Click Here for Print/View Options](#)

Prescribed by Department of Local Government Finance

### DEBT WORKSHEET

Selected Year: 2015

Selected County: Jay County

Selected Unit: Portland Civil City

Select Fund:

1380 - PARK BOND

(This form is to be prepared for each debt service fund that requires either a tax rate or an appropriation. Debt service funds designated by an "8" in the third digit of the fund code.)

Name of Issue	Line 2 Due	Line 2 Amount	Line 1 Due	Line 1 Amount	Line 11A Due	Line 11A Amount	Line 11B Due	Line 11B Amount
Park Bond	01/01/2017	\$ 98,448	01/01/2018	\$ 124,796	07/01/2018	\$ 26,278	01/01/2019	\$ 101,278
Anticipated Debt Service		\$		\$		\$		\$
TOTALS BY FUND		\$ 98,448		\$ 124,796		\$ 26,278		\$ 101,278
TOTALS BY UNIT		\$ 98,448		\$ 124,796		\$ 26,278		\$ 101,278

**This form allows you to tell the Department when you make your debt payments for four different time periods**



## Debt Worksheet

- Debt Worksheet captures the payments needing to be made in a 2.5 year period.
  - Last 6 months of current year (July thru Dec.).
  - All the ensuing budget year.
  - First 6 months of the following year (Jan. thru June).
  - Second 6 months of the following year (July through Dec).



## Debt Worksheet

- Amortization schedules will be used to verify payments.
- New debts must be closed on by December 31 of the current year to receive a property tax levy.
- If you do not have any debt, you may skip the Debt Worksheet.



## Budget Form 1: Next Year's Budget

BUDGET ESTIMATE FOR

Select Fund: 0101 - GENERAL

Select Department: 0370 POLICE DEPARTMENT (TOWN MARSHALL)

Select Category Tab

Broken down by fund (and department)

Further broken down by expenditure category

Delete	Sub-Category	Line Item Code	Description	Published Amount	Adopted Amount
X	Communication and Transportation	321	Communication & Trai	\$ 35,000	\$
X	Utility Services	322	Utility Services	\$ 10,000	\$
X	Printing and Advertising	324	Printing & Advertising	\$ 600	\$
X	Repairs and Maintenance	325	Repairs & Maintenan	\$ 35,000	\$
X	Professional Services	326	Other Contractual Sen	\$ 10,000	\$
+ ADD	Professional Services			\$	\$
TOTALS BY CATEGORY				Total \$ 90,600	Total \$ 0
TOTALS BY DEPT BY FUND				Total \$ 945,611	Total \$ 0
TOTALS BY FUND				Total \$ 3,508,834	Total \$ 0
TOTALS BY UNIT				Total \$ 4,978,466	Total \$ 0

Line items



## Budget Form 1: Next Year's Budget

- Budget Form 1 – Budget Estimate
  - Form 1 is divided into six\* categories:
    - 1) Personal services
    - 2) Supplies
    - 3) Other services and charges
    - 4) Capital outlays
    - 5) Township assistance (Townships only)
    - 6) Debt service
    - 7) \*(Possibly) Circuit Breakers



## Budget Form 1: Next Year's Budget

- This form breaks down budgeted "line items" by fund and expense category.
- Each fund has its own Form 1.
- If a fund has departments, each department in a fund will have a separate Form 1.
- Amounts are separated into Advertised and Adopted columns.
- Form 1 data will be pulled into Form 4A.





## Budget Form 4A: (Summary of Form 1)

Budget Report

Select Fund:

0101 - GENERAL

Select Department:

0069 CITY COUNCIL/TOWN BOARD (COMMON COUNCIL)

Click to Insert All Unit Amounts  
From Form 1

Click to insert all  
Form 1 Data

DEPARTMENT: 0069 CITY COUNCIL/TOWN BOARD (COMMON COUNCIL)				
Published Amount			Adopted Amount	
PERSONAL SERVICES	\$ 1,310,434		\$ 1,310,434	
SUPPLIES	\$ 6,000		\$ 6,000	
OTHER SERVICES AND CHARGES	\$ 488,500		\$ 488,500	
CAPITAL OUTLAY	\$ 40,000		\$ 40,000	
DEBT SERVICE	\$ 0		\$ 0	
TOTAL	\$ 1,844,934		\$ 1,844,934	
Totals by Fund				
		Published Amount Total: \$ 3,492,334	Adopted Amount Total: \$ 3,492,334	
Totals by Unit				
		Published Amount Total: \$ 4,951,955	Adopted Amount Total: \$ 4,951,955	


Summary of Form 1 line  
items by category



## Budget Form 4A

- Budget Form 4A – Summary of Form 1
  - Lists a fund's budget summarized by expenditure category.
  - If fund is departmentalized, it breaks down amounts by department as well.
  - Two columns:
    - Original advertised budget
    - Adopted budget

Click the “Insert” button to pull data from Form 1.



## Form 2: Revenue Estimates

Home About Account Settings Help Logout Department of Local Government Finance

ESTIMATE OF MISCELLANEOUS REVENUES  
FROM SOURCES OTHER THAN GENERAL PROPERTY TAXES  
FOR USE IN PREPARATION OF ESTIMATE OF FUNDS TO BE RAISED, YEAR 2017

Broken down by fund


Select Fund:  
0101 - GENERAL

Organized by category

Two separate time periods

Revenue Code	Description	July 1 to Dec 31, 2016	Jan 1 to Dec 31, 2017
R203	Planning, Zoning, and Building Permits and Fees	\$ 10,000	\$ 20,000
R210	Cable TV Licenses	\$ 22,000	\$ 40,000
TOTALS BY CATEGORY		Total: \$ 32,000	Total: \$ 60,000
TOTALS BY FUND		Total: \$ 32,000	Total: \$ 60,000
TOTALS BY UNIT		Total: \$ 32,000	Total: \$ 60,000

SAVE



## Budget Form 2

- Budget Form 2 – Estimate of Miscellaneous Revenue
  - Accounts for revenue other than property taxes.
  - Each fund has its own Form 2.

Most non-school units can have this form uploaded into Gateway at budget workshops.



## Budget Form 2

- Column A is for revenue to be received July 1 to Dec. 31 of the current year.

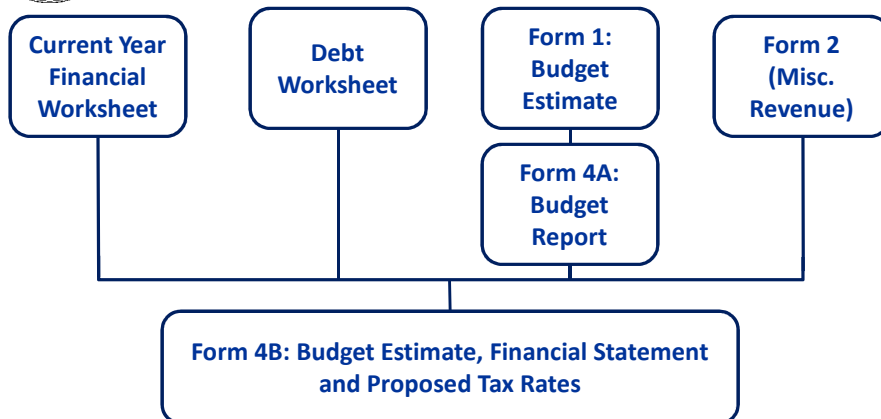
*Column A amount will transfer from the Form 2 to Line 8A of the Form 4B.*

- Column B is for revenue to be received Jan. 1 to Dec. 31 of the ensuing budget year.

*Column B amount will transfer from the Form 2 to Line 8B of the Form 4B.*



## What Data Pulls into Form 4B?



*These forms pull into lines 1 through 10 of Form 4B*



## Budget Form 4B

### Expenses

Funds Required For Expenses To December 31st Of Incoming Year		Published Amount	Adopted Amount
1. Total budget estimate for incoming year		\$ 3,492,334	\$ 0
2. Necessary expenditures, July 1 to December 31 of present year, to be made from appropriation unexpended		\$ 2,081,641	\$ 0
3. Additional appropriation necessary to be made July 1 to December 31 of present year		\$ 0	\$ 0
4. Outstanding temporary loans:			
a). To be paid not included in lines 2 or 3		\$ 0	\$ 0
b). Not repaid by December 31 of present year		\$ 0	\$ 0
5. TOTAL FUNDS required (add lines 1,2,3,4a and 4b)		\$ 5,573,975	\$ 0

Net Assessed Value \$ 175,000,000

Funds On Hand To Be Received From Sources Other Than Proposed Tax Levy		Published Amount	Adopted Amount
6. Actual cash balance, June 30 of present year (including cash investments)		\$ 1,924,370	\$ 0
7. Taxes to be collected, present year (December settlement)		\$ 716,446	\$ 0
8. Miscellaneous revenue to be received July 1 of present year to December 31 of incoming year (Schedule on File):			
a). Total Column A Budget Form 2		\$ 632,255	\$ 0
b). Total Column B Budget Form 2		\$ 983,104	\$ 0
9. TOTAL FUNDS (Add lines 6, 7, 8a and 8b)		\$ 4,256,175	\$ 0
10. Net amount to be raised for expenses to December 31 of incoming year (deduct line 9 from 5)		\$ 1,317,800	\$ 0

### Funding



## Budget Form 4B

### Calculates Tax levy and rate

Proposed Tax Rate and Levy		Published Amount	Adopted Amount
11. Operating balance ( not in excess of expense January 1 to June 30, less miscellaneous revenue for same period)		\$ 250,000	\$ 0
NOTE: Enter Lines 13a, 13b and 15 then press 'Save' button to calculate this value.			
12. Amount to be raised by tax levy (add lines 10 and 11)		\$ 1,567,800	\$ 0
13a. Property Tax Replacement Credit from Local Option Tax		\$	\$
13b. Operating LOIT		\$	\$
14. NET AMOUNT TO BE RAISED BY TAX LEVY (deduct line 13a and 13b from line 12)		\$ 1,567,800	\$ 0
15. Levy Excess Fund applied to current budget		\$ 0	\$ 0
16. Net amount to be raised		\$ 1,567,800	\$ 0
17. Net Tax Rate on each one hundred dollars of taxable property		0.8959	0.0000



## Budget Form 4B

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- Budget Form 4B – Financial Statement
  - Also known as the “16 Line Statement” or the “Fund Report”
- Shows financial snapshot for an 18-month period.
- Two columns:
  - Advertised – Reflects budget, rate, and levy as prepared by the fiscal officer.
  - Adopted – Reflects budget, rate, and levy as approved by the fiscal body.



## Budget Form 4B

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- Provides estimated levy and tax rate per fund.
- Lines 1-10 pull in from other forms
- Lines 11-17 are to calculate a property tax levy and rate (Gateway Calculator can help!)

Published column can be uploaded at budget workshops for most non-school units.



## County Council Review

- The previous process has been repealed.
- A new process is in place.
  - No forms required to be submitted by non-binding units. "Binding" units still submit budget.
  - Takes place at county council's first meeting in August.
  - County council to review the Department's provided estimates for max levy and circuit breaker losses.
  - County Council may issue written recommendations, but if not, it must send meeting minutes to the units.



## Form 3: Notice to Taxpayers

### NOTICE TO TAXPAYERS

The Notice to Taxpayers are available online at [www.budgetnotices.in.gov](http://www.budgetnotices.in.gov) or by calling (888) 739-9826.

Complete details of budget estimates by fund and/or department may be seen by visiting the office of this unit of government at 101 North Main St. Portland, IN. For taxes due and payable in 2016, notices will not be printed in the newspaper.

Notice is hereby given to taxpayers of Portland Civil City, Jay County, Indiana that the proper officers of Portland Civil City will conduct a public hearing on the year 2015 budget. Following this meeting, any ten or more taxpayers may object to a budget, tax rate, or tax levy by filing an objection petition with the proper officers of Portland Civil City not more than seven days after the hearing. The objection petition must identify the provisions of the budget, tax rate, or tax levy to which taxpayers object. If a petition is filed, Portland Civil City shall adopt with the budget a finding concerning the objections in the petition and testimony presented. Following the aforementioned hearing, the proper officers of Portland Civil City will meet to adopt the following budget.

#### Fill in Hearing Info

Date of Public Hearing	Thursday, July 17 2014	Date of Adoption Meeting	Wednesday, October 15 2014
Time of Public Hearing	7:00 PM	Time of Adoption Meeting	7:00 PM
Public Hearing Place	101 North Main St. Portland, IN	Adoption Meeting Place	101 North Main St. Portland, IN
		Estimated Civil Max Levy	\$ 2,846,512
		Estimated Circuit Breaker Losses	\$ 25,624

Notifies the public of the public and adoption meetings



## Form 3: Notice to Taxpayers

**Notifies taxpayers of proposed Budget and Property Tax Levy, by fund.**

1 Fund Name	2 Budget Estimate	3 Maximum Estimated Funds to be Raised (including appeals and levies exempt from maximum levy limitations)	4 Excessive Levy Appeals	5 Current Tax Levy
0101-GENERAL	\$3,411,319	\$2,027,743	\$0	\$1,912,496
0341-FIRE PENSION	\$153,925	\$0	\$0	\$0
0342-POLICE PENSION	\$90,369	\$0	\$0	\$0
0706-LOCAL ROAD & STREET	\$23,101	\$0	\$0	\$0



## Form 3: Notice to Taxpayers

- Advertised online by submitting Form 3 in Gateway at least 10 days before public hearing.
- At least 10 days between public hearing and adoption.
- 10 or more taxpayers can file an objecting petition within 7 days of the public hearing.
- If there are any objections, the fiscal body of the political subdivision must adopt with its budget a finding concerning the objections in the petition and any testimony presented at the adoption hearing. Failure to do so may jeopardize approval of the unit's proposed budgets, rates, and levies.



## Form 3: Notice to Taxpayers

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- Deadlines
  - Public Hearing no later than Oct. 22.
  - Adoption Meeting no later than Nov. 1.
  - Dates subject to change due to non-business days.  
Review the annual budget calendar for official dates.
- Required Information to be advertised
  - Date, time, and location of public hearing and adoption meeting.
  - Estimated maximum levy and circuit breaker impact.
  - Fund name, budget estimate, fund levy, excessive levy appeal, and current fund levy.



## Form 3: Notice to Taxpayers

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- Question to be answered when completing the Form 3:
  - Has the territory of the unit changed?
    - Annexations
    - Extensions of Services
  - This question will impact how the unit is handled for the purposes of online ads.

Most non-school units can have this form uploaded into Gateway at budget workshops.





## Budget Form 3

**Form 3 must be submitted at least 10 days before the public hearing.**

Current Year Financial Worksheet: Additional Calculations for Form 4B	⚠
Debt Worksheet	⚠
Form 1: Budget Estimate	⚠
Form 2: Estimate of Miscellaneous Revenues	⚠
Form 3: Notice to Taxpayers	⚠
<a href="#">Click to edit form</a>	<a href="#">Click to submit completed form to DLGF</a>

Submit to fulfill  
online advertising

Form 3: Notice to Taxpayers	✓
<a href="#">Click to view form</a>	<input checked="" type="checkbox"/> This form has been submitted.



## Budget Form 4 (Adoption)

### ORDINANCE OR RESOLUTION FOR APPROPRIATIONS AND TAX RATES

Be it ordained/resolved by the **GrassyFork Township Board** that for the expenses of **GRASSY FORK TOWNSHIP, Jackson County** for the year ending December 31, **2016** the sums herein specified are hereby appropriated and ordered set apart out of the several funds herein named and for the purposes herein specified, subject to the laws governing the same. Such sums herein appropriated shall be held to include all expenditures authorized to be made during the year, unless otherwise expressly stipulated and provided for by law. In addition, for the purposes of raising revenue to meet the necessary expenses of **GRASSY FORK TOWNSHIP, Jackson County**, the property tax levies and property tax rates as herein specified are included herein. Budget Form 4-B for all funds must be completed and submitted in the manner prescribed by the Department of Local Government Finance.

This ordinance/resolution shall be in full force and effect from and after its passage and approval by the **GrassyFork Township Board**.

Name of Adopting Entity / Fiscal Body	Type of Adopting Entity / Fiscal Body	Date of Adoption
GrassyFork Township Board	Township Board	09/24/2016

#### DLGF-Reviewed Funds

Fund Code	Fund Name	Adopted Budget	Adopted Tax Levy	Adopted Tax Rate
0101	GENERAL	\$22,150	\$9,600	0.0216
0840	TOWNSHIP ASSISTANCE	\$4,800	\$6,000	0.0135
		<b>\$26,950</b>	<b>\$15,600</b>	<b>0.0351</b>

Name		Signature
Craig Klinge	Aye <input type="checkbox"/> Nay <input type="checkbox"/> Abstain <input type="checkbox"/>	
Jeanette Elliott	Aye <input type="checkbox"/> Nay <input type="checkbox"/> Abstain <input type="checkbox"/>	
Stan Darlage	Aye <input type="checkbox"/> Nay <input type="checkbox"/> Abstain <input type="checkbox"/>	



## Budget Form 4 (Adoption)

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- Budget Form 4 – Adoption Ordinance/Resolution
  - Fiscal body adopts the Form 4, approving budgets, tax levies, and tax rates.
  - Budgets, tax levies, and tax rates for all funds must be listed.
- Budgets, Tax Levies, and Tax Rates transfer from Line 1, 16, and 17 of the Form 4B's adopted column.
  - Double and triple check the amounts on the Form 4 for each fund. These are the amounts being formally adopted.



## Budget Form 4 (Adoption)

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- Adoption date should be the same as shown on Form 3.
- Attestation line applies only to counties, cities, and towns. Mayor Action line only applies to cities.
- The voting members must mark their vote and sign the Form 4.
- After adoption the signed Form 4 must be scanned and uploaded into Gateway.



## 1782 Notice Recipients

### 1782 Notice Recipients

Use this form to register any recipients of this unit's 1782 notice e-mail.

Contact Name	Contact Email	Phone Number (Optional)	Action
Burt Reynolds	breynolds@email.com	(555) 123-4567	<a href="#">Edit</a> — <a href="#">Delete</a>
Letty Dorman	ldorman@email.com	(555) 765-4321	<a href="#">Add</a>

- After the Department works your budget, a “1782 Notice” is emailed to everyone on this form. This notice contains the budgets, levies, and rates about to be certified.
- You will have 10 days to respond with recommended changes.
- The Department recommends adding multiple recipients to this form.



## Upload Signed Form 4

Select “Form 4”

Submit File

Select file type: Signed Budget Ordinance/Resolution (Form 4)

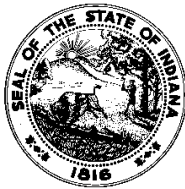
Enter a Description: Form 4

Select File to Upload:  No file selected

Enter Description

Select browse to locate your document

- Within 48 hours of adoption, the Signed Form 4 needs to be scanned and uploaded into Gateway.
- The same 48 hour timeline applies to submitting the remaining budget forms in Gateway.




## QUESTIONS??



## Resources

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- User Guides
- Information Icons 
- YouTube Training Videos  
[www.youtube.com/user/DLGFgateway](http://www.youtube.com/user/DLGFgateway)
- Department Memos (Budget Calendar and more!)  
[www.in.gov/dlgf/2444](http://www.in.gov/dlgf/2444)
- Email
- Call



## Budget Field Staff

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Miranda Bucy	317-650-6848	<a href="mailto:mbucy@dlgf.in.gov">mbucy@dlgf.in.gov</a>
Ryan Burke	317-719-3546	<a href="mailto:rburke@dlgf.in.gov">rburke@dlgf.in.gov</a>
Kim Chattin	317-650-6157	<a href="mailto:kchattin@dlgf.in.gov">kchattin@dlgf.in.gov</a>
George Helton	317-650-5254	<a href="mailto:ghelton@dlgf.in.gov">ghelton@dlgf.in.gov</a>
Wayne Hudson	317-650-4444	<a href="mailto:whudson@dlgf.in.gov">whudson@dlgf.in.gov</a>
Vicky Neeley	317-607-7524	<a href="mailto:vneeley@dlgf.in.gov">vneeley@dlgf.in.gov</a>
Robert Norris	317-650-3932	<a href="mailto:robnorris@dlgf.IN.gov">robnorris@dlgf.IN.gov</a>
Kurt Ott	317-650-2497	<a href="mailto:kott@dlgf.in.gov">kott@dlgf.in.gov</a>
Dawn Ray	317-677-2667	<a href="mailto:dray@dlgf.in.gov">dray@dlgf.in.gov</a>
Judy Robertson	317-650-2508	<a href="mailto:jrobertson@dlgf.in.gov">jrobertson@dlgf.in.gov</a>
Michelle Rogers	317-447-2941	<a href="mailto:mrogers@dlgf.in.gov">mrogers@dlgf.in.gov</a>
Cathy Stockhoff	317-408-499	<a href="mailto:cstockhoff@dlgf.in.gov">cstockhoff@dlgf.in.gov</a>
Heather Witsman	317-694-3017	<a href="mailto:hwitsman@dlgf.in.gov">hwitsman@dlgf.in.gov</a>



## Contact the Department

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- Budget Field Representative:  
[http://www.in.gov/dlgf/files/Field\\_Rep\\_Map - Budget.pdf](http://www.in.gov/dlgf/files/Field_Rep_Map_-_Budget.pdf)
- Gateway: [gateway@dlgf.in.gov](mailto:gateway@dlgf.in.gov)
- Telephone: (317) 232-3777
- Toll Free: (888) 739-9826
- Website: [www.in.gov/dlgf](http://www.in.gov/dlgf)
- "Contact Us": [www.in.gov/dlgf/2338.htm](http://www.in.gov/dlgf/2338.htm)